

WILLMAR CITY COUNCIL PROCEEDINGS
BOARD ROOM
HEALTH AND HUMAN SERVICES BUILDING
WILLMAR, MINNESOTA

July 1, 2019
7:00 p.m.

The regular meeting of the Willmar City Council was called to order by the Honorable Mayor Marv Calvin. Members present on a roll call were Mayor Marv Calvin, Council Members Rick Fagerlie, Shawn Mueske, Kathy Schwantes, Vicki Davis, Fernando Alvarado, Julie Asmus, Andrew Plowman and Audrey Nelsen. Present 9, Absent 0.

Also present were Interim City Administrator Brian Gramentz, Police Chief Jim Felt, Park and Recreation Director Rob Baumgarn, Planning and Development Services Director David Ramstad, Public Works Director Sean Christensen, Human Resource Director Samantha Beckman, Fire Chief Frank Hanson, City Clerk Judy Thompson, City Attorney Robert Scott, and Public Works Superintendent Gary Manzer.

There were no additions or deletions to the agenda.

Council Member Fagerlie moved to approve the agenda as presented. Council Member Nelsen seconded the motion which carried.

City Clerk Judy Thompson reviewed the consent agenda.

- A. City Council Minutes of June 17, 2019
- B. Willmar Municipal Utilities Board Minutes of June 24, 2019
- C. Planning Commission Minutes of June 19, 2019
- D. Accounts Payable Report June 13 through June 26, 2019
- E. Park and Recreation Board Minutes of May 15, 2019
- F. Central Community Transit Operations Board Minutes of May 28, 2019
- G. Willmar Lakes Area CVB Board Meeting Minutes of May 14, 2019

Council Member Fagerlie offered a motion to approve the Consent Agenda. Council Member Mueske seconded the motion which carried.

Public Works Superintendent Gary Manzer introduced two new Public Works Operators - Megan Iiams and Jason Wog, and new Public Works Mechanic - Josh Juven to the Mayor and Council. He stated Ms. Iiams and Mr. Wog began their employment with the City two weeks ago, and Mr. Juven began his employment with the City today. Mayor Calvin and members of the Council welcomed them to the City.

Steve Wright, Willmar, addressed the Mayor and Council during the Open Forum. Mr. Wright spoke in support of approving the new Stingers Lease.

The Finance Committee Report for June 20, 2019 was presented to the Mayor and Council by Council Member Nelsen. There were four items for consideration.

Item No. 1 The Willmar Stingers Lease with the additional wording addressing the usage of the concession stand was again reviewed. Both the Park and Recreation Board and the Planning Commission have recommended approval of the ten-year length of the agreement and inserted wording for the use of the concession stand and process to be used for all organizations in relationship to the Stinger Organization. It was the recommendation of the Committee to introduce a Resolution to authorize the Mayor and City Administrator to sign the Lease Agreement as submitted.

Resolution No. 19-094 Authorizing the Agreement with Willmar Baseball, LLC (Stingers) for Lease of City of Willmar's Taunton Stadium and Baker Baseball Field was introduced by Council Member Nelsen. Council Member Fagerlie seconded the motion.

Following discussion, Council Member Alvarado offered a friendly amendment to add the following language in paragraph 34: "For non-League events at the Facility conducted by Ridgewater College, Willmar High School, the Minnesota State High School League, American Legion, VFW or Willmar Rail games, or any other organization who may be granted use of the Facility, the organization responsible for the event may, as an alternative to contracting with Lessee for the operation of the Concessions Stand during such event, locate temporary concessions facilities on the Facility's premises and conduct concessions sales on its own behalf, subject to all of the requirements in this Section that would be applicable to Lessee if Lessee were operating the Concessions Stand for such event."

Council Member Plowman called point of order. Mayor Calvin ruled that a friendly amendment was necessary as a change in verbiage to the lease that was provided the Mayor and Council is being proposed. Council then approved the ruling of Mayor Calvin.

City Attorney Robert Scott stated this is a minor change to the lease and the parties involved had no objection to the change.

Stingers co-owner Marc Jerzak addressed the Mayor and Council and stated the Stingers are in agreement with the language in the friendly amendment. He also stated various activities have already been taking place in the ballpark over the last ten years.

The original motion then carried on a roll call vote of Ayes 8, Noes 0.

Item No. 2 Staff submitted a request to the committee to start the process to finance the 2019 Street Improvement Program. The process that is required would be: 1) to introduce an Ordinance Authorizing the Issuance of \$4,740,000 in General Obligation Improvement Bonds Series 2019A and the Levying of Taxes to Secure Payment of them, and 2) to introduce a resolution to set a public hearing on the ordinance. It was the recommendation of the Committee to introduce an Ordinance Authorizing the Issuance of \$4,740,000 General Obligation Improvement Bonds, Series 2019A and the Levying of Taxes to Secure Payment Therefor.

Council Member Nelsen **introduced an Ordinance Authorizing the Issuance of \$4,740,000 General Obligation Improvement Bonds, Series 2019A and the Levying of Taxes to Secure Payment Therefor.** Council Member Mueske seconded the motion which carried.

Resolution No. 19-095 Calling for Public Hearing on an Ordinance Authorizing the Issuance of \$4,740,000 General Obligation Improvement Bonds, Series 2019A and Levying Taxes for the Payment Thereof was introduced by Council Member Nelsen, and a public hearing was set for July 15, 2019 at 7:01 p.m. Council Member Mueske seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

Item No. 3 Staff explained to the committee now that the referendum, state statute and ordinance have all been passed, and in order to finance any costs incurred prior to issuing of any debt the City would need to declare its intent to reimburse itself for those costs. Staff also explained that by setting the amount in the resolution at the maximum allowed that no further intent resolutions would be needed. It was also explained that this would not require the City to issue the total amount of \$ 30,000,000, if timing of projects allow cash to be used to cover the costs. It was the recommendation of the Committee to introduce a resolution declaring the Official Intent of the City of Willmar to Reimburse Certain Capital Expenditures from the Proceeds of Tax-Exempt Bonds.

Resolution No. 19-096 Declaring the Official Intent of the City of Willmar, Minnesota, to Reimburse Certain Capital Expenditures from the Proceeds of Tax-Exempt Bonds was introduced by Council Member Nelsen. Council Member Fagerlie seconded the motion.

Following discussion, and explanation from Ehlers Senior Municipal Advisor Todd Hagen and City Attorney Robert Scott, the motion carried on a roll call vote of Ayes 8, Noes 0.

Item No. 4 The May Monthly Finance Report was reviewed by the committee with discussion on timing, and staff indicating that the June report is a more accurate report to review since it will be after any audit adjustments, first half of the year, and starting the next year budget process. This item was for information only.

The Finance Committee Report of June 20, 2019, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Nelsen. Council Member Fagerlie seconded the motion, and carried.

The Community Development Committee Report for June 24, 2019 was presented to the Mayor and Council by Council Member Fagerlie. There were three items for consideration.

Item No. 1 Staff informed the Committee that the floodplain ordinance is a draft for vetting purposes only, and that staff are seeking feedback from the committee members. The committee was also informed that the draft floodplain ordinance has thus far been vetted by the City Administrator, City Attorney and Department Directors. After committee input, the intention of staff is to forward the draft floodplain ordinance to the other elected officials for further vetting, prior to its return for final committee review. During discussion, the committee was informed that participation in the National Flood Insurance Program (NFIP) could result in mortgage lenders requiring up to seven homes in the floodplain to carry NFIP-backed flood insurance – but, only if the home has a mortgage. Staff also informed the committee that there are negligible costs associated with the City becoming an NFIP participant because there is such a low number of homes in the floodplain. Thus, NFIP participation would require minimal enforcement by the City Building Official. Additionally, the committee was informed that NFIP participation would allow all non-floodplain homeowners to voluntarily get NFIP-backed flood insurance for flooding caused by rain and storm water runoff – a type of insurance excluded from regular homeowner's insurance. Finally, the committee was informed that based on feedback thus far, it continues to be Dr. Ramstad's recommendation to participate in the National Flood Insurance Program (NFIP), and that staff will bring this agenda item back to the Committee before moving forward. This item was for information only.

Item No. 2 The purpose of this agenda item was to receive committee approval to proceed to Council for a first meeting to present the modifications to the tax increment financing (TIF) plan for the Legacy on First TIF Plan and Municipal Development District No. II, followed by a second public hearing to adopt the resolution for said TIF modification. The TIF modification addresses two issues: first, the Assistant State Auditor's requirements and second to adjust the size of Municipal Development District so that it better supports current and future Willmar TIF projects.

The committee was informed that both the GM/Magnum and Legacy TIF plans have both been completely amended and restated in similar ways to give clarity, while also maintaining their intent and their original financial arrangements.

First, the modified TIF plan addresses Assistant State Auditor Jason Nord's concerns that the Legacy on First and GM/Magnum TIF plans cite old state laws; that the duration of the original TIF is not correct in that it is supposed to be +1 year per TIF guidelines (i.e. 15+1=16 years, instead of the 15 years currently stated); that Legacy on First appears to suggest an extension may be necessary but is unclear; that the estimates of tax increment to be generated provide two estimates and unconventionally separates administration costs out; that estimates on the "plan collection form" and "plan document" do not match - there are small discrepancies in annual amounts used; that the ultimate cost estimates are left blank, and the Assistant State Auditor found it unclear whether the cost estimates recognize the "original net tax capacity" (ONTC) of the district in relation to project costs.

Secondly, the modified TIF plan addresses an inappropriately sized Municipal Development District, which had been made the same size as the project's TIF district. The Municipal Development District has been enlarged to be coterminous with the City limits so that, per state law, a portion of money from the TIF districts are available to be spent on other TIF-eligible projects in the larger Municipal Development District (if the City Council so chooses). The Municipal Development District was also enlarged so that the City will not need to modify its size over again. Expanding the Municipal Development District to be coterminous with the city limits simplifies existing and new TIF administration because parcel boundaries change over time, and parcels often get combined and split, natural occurrences that make it difficult to maintain the boundaries of the Municipal Development District that was originally coterminous with the project's TIF district. It was the recommendation of the Committee to introduce a public hearing at Council on July 1st, 2019, and then to have the public hearing during the July 15th Council meeting for approval of a resolution to modify the TIF Plan and Municipal Development District.

Following discussion, Council Member Fagerlie offered a motion to set a public hearing for July 15, 2019 to modify the TIF Plan and Municipal Development District. Council Member Mueske seconded the motion which carried.

Item No. 3 Committee informed that this item is virtually identical to the above item (restated below).

The purpose of this agenda item was to receive committee approval to proceed to Council for a first meeting to present the modifications to the tax increment financing (TIF) plan for the GM/Magnum TIF District No. 3 and Municipal Development District No. VI, followed by a second public meeting to adopt the resolution for said TIF modification. The TIF modification addresses two issues: first, the Assistant State Auditor's requirements and second to adjust the size of Municipal Development District so that it better supports current and future Willmar TIF projects. The committee was informed that both the GM/Magnum TIF Plan have been completely amended and restated to give clarity, while also maintaining their intent and their original financial arrangements.

First, the modified TIF plan addresses Assistant State Auditor Jason Nord's concerns that the GM/Magnum TIF plan cites old state laws; that the duration of the original TIF is not correct in that it is supposed to be +1 year per TIF guidelines (i.e. 8+1=9 years, instead of the 8 years currently stated); that GM/Magnum appears to suggest an extension may be necessary but is unclear; that the estimates of tax increment to be generated provide two estimates and unconventionally separates administration costs out; that the ultimate cost estimates are left blank, and the Assistant State Auditor found it unclear whether the cost estimates recognize the "original net tax capacity" (ONTC) of the district in relation to project costs.

Secondly, the modified TIF plan addresses an inappropriately sized Municipal Development District, which had been made the same size as the project's TIF district. The Municipal Development District has been enlarged to be coterminous with the City Limits so that, per state law, a portion of money from the TIF districts are available to be spent on other TIF eligible projects in the larger Municipal Development District (if the City Council so chooses). The Municipal Development District was also enlarged so that the City will not need to modify its size over again. Expanding the Municipal Development District to be coterminous with the city limits simplifies existing and new TIF administration because parcel boundaries change over time, and parcels often get combined and split, natural occurrences that make it difficult to maintain the boundaries of the Municipal Development District that was originally coterminous with the project's TIF district. It was the recommendation of the Committee to introduce a public hearing at Council on July 1st, 2019, and then to have the Public Hearing during the July 15th Council Meeting for approval of a resolution to modify the TIF Plan and Municipal Development District.

Following discussion, Council Member Fagerlie offered a motion to set a public hearing for July 15, 2019 to modify the TIF Plan and Municipal Development District. Council Member Mueske seconded the motion which carried.

The Community Development Committee Report of June 24, 2019, was approved and ordered placed on file in the City Clerk's Office upon motion by Council Member Fagerlie. Council Member Mueske seconded the motion, and carried.

The Labor Committee Report for June 24, 2019 was presented to the Mayor and Council by Council Member Mueske. There were five items for consideration.

Item No. 1 There was a public comment by Deb Stulen stating that she has been an employee of the City since 2002 under the supervision of the City Clerk's Department as Secretary/Receptionist. She also stated that her work is assigned by the City Clerk which includes Special Assessments, Elections, City Auctions, Liquor Licensing, City Events, and several other duties related to the Clerk's department. This item was for information only.

Item No. 2 Staff presented the responses to one of the questions from our Employee Engagement Survey, recently completed by City staff. Council Member Davis had inquired about what Council Members could do to improve employee morale at the City so that question was added to a recent survey. The majority of the responses received were all actions/items that could be implemented at no cost to the City. There were two items that require funding that the committee would like to explore further: implementing a strengths finder program and allocating money in the budget for Employee Events (Pool Party, Holiday Party, etc.). This item was for information only.

Item No. 3 Staff presented the fourth section of the updated employee personnel policy obtained from the League of MN Cities. Text in black is League's recommended language and text in green is language pulled from our existing Personnel Policy. It was the recommendation of the Committee to adopt the fourth section of the new Personnel Policy.

Council Member Mueske offered a motion to adopt the fourth section of the new Personnel Policy. Council Member Alvarado seconded the motion which carried.

Item No. 4 Staff presented the fifth section of the updated employee personnel policy obtained from the League of MN Cities. At the League's recommendation, staff is utilizing their handbook template and customizing it to Willmar's policies and procedures. This item was for information only.

Item No. 5 A motion was made by Council Member Alvarado, seconded by Council Member Davis and passed to go into closed session pursuant to Minn. Stat. 13.D.03 subdivision 1(b) to discuss Labor Negotiations Strategy. This item was for information only.

The Labor Committee Report of June 24, 2019, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Mueske. Council Member Alvarado seconded the motion, and carried.

The Finance Committee Report for June 25, 2019 was presented to the Mayor and Council by Council Member Nelsen. There was one item for consideration.

Item No. 1 Representatives from Engan and Associates were present to explain the changes made in the design of the proposed Robbins Island Four Season Shelter. The proposed changes as described would reduce previously presented estimates and designs to fall within the estimated dollars available for the project. A number of items discussed were the changes from previous proposals which were: less plumbing due to the size being reduced to a 56x50 building, no fireplace, no upper mechanical room, LP siding, no staff office, program space or storage, HVAC to propane furnace, less site paving, no fire pit, compost by city and none structural fill supplied by City. Other items explained included the contingency amount is planned to cover any soil corrections needed due to the geo-technical unit price being in the estimates, any furnishings and site plantings and landscaping that would be added if funds are available. After lengthy discussion, items that the

committee would like to see bid as alternates included the following: 1) Asphalt shingles instead of standing seam metal roofing; 2) Air conditioning; 3) Wood ceiling in community room; 4) Spray foam insulation; 5) Ground concrete floor; and, 6) Wall feature in community room. It was the Committee's recommendation to approve the proposed concept drawings as presented, order the preparation of plans and specification and advertise for bids.

Recreation Director Rob Baumgarn and Engan and Associates representative Richard Engan explained the proposed concept drawings to the Mayor and Council.

Following discussion, Council Member Nelsen offered a motion to approve the proposed concept drawings as presented, order the preparation of plans and specifications and advertise for bids. Council Member Fagerlie seconded the motion which carried.

The Finance Committee Report of June 25, 2019, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Nelsen. Council Member Fagerlie seconded the motion, and carried.

At 7:46 p.m. Mayor Calvin reconvened the assessment hearing from June 17, 2019 to address the proposed assessment amounts on Parcel Nos. 95-912-0952 and 95-914-2350. Public Works Director Sean Christensen presented a request to amend the 2019 Assessment Roll to address the concerns brought forth at the assessment hearing held June 17, 2019 from the property owners of these two parcels. Following review with City staff, Parcel No. 95-912-0952 was amended from \$20,160.00 to \$8,000.00 and 95-914-2350 was amended from \$28,285.45 to \$23,811.58,

There being no one present to speak for or against the proposed amended assessment amounts, Mayor Calvin closed the hearing at 7:47 p.m. and opened it up for discussion by the Council.

Following discussion, **Resolution No. 19-097 Amending the 2019 Assessment Roll** was introduced by Council Member Fagerlie. Council Member Nelsen seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

Public Works Director Sean Christensen presented a request to allow Hoffman Construction to purchase approximately 11.5 acres of city-owned land in the southeast corner of County Road 55 and Highway 40.

Council Member Plowman **introduced an Ordinance Authorizing the Sale of Real Property to Hoffman Construction Company**, and set a public hearing for July 15, 2019. Council Member Mueske seconded the motion which carried.

Public Works Director Sean Christensen presented a request to approve Hoffman Construction Company to use the old airport taxiway and driveway to the Very High Frequency Omni-Directional Range (VOR) building for fill material for the Willmar Wye Project. Mr. Christensen and Hoffman Construction Project Manager Todd Hoffman presented pertinent information regarding the proposed project.

Following discussion, Public Works Director Sean Christensen was directed to work with Hoffman Construction to include the removal of the old VOR building in the project.

Council Member Plowman offered a motion to approve staff's request. Council Member Asmus seconded the motion which carried.

Public Works Director Sean Christensen presented a request to use the material staging area on old airport runway for Willmar Wye Project by Hoffman Construction, and stated the material would be removed prior to snow removal storage.

Council Member Plowman offered a motion to approve staff's request. Council Member Asmus seconded the motion which carried.

City Clerk Judy Thompson presented a request from the Willmar Lakes Rotary Club for One-Day to Four-Day Temporary On-Sale Liquor Permits for the upcoming "Rockin Robbins" community festivals which will be held at Robbins Island on July 16, July 23, July 30, and August 6, 2019. Staff was recommending approval of said permits.

Following discussion, Council Member Plowman offered a motion to approve staff's recommendation. Council Member Plowman seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

Mayor Calvin offered the following comments: the groundbreaking ceremony for the Willmar Wye Project will be held July 9th at 2:30 p.m. at the west end of old runway. Since there is a possibility a majority of Council will be in attendance, Mayor Calvin asked City Clerk Judy Thompson to post a notice reflecting such; July 29th will be a mini-retreat for the Council and asked Council if they desired to have a facilitator present. Consensus of the Council was that the only agenda item for the mini-retreat is labor and Springsted findings, and a facilitator would not be needed; Council Members Nelsen and Asmus and himself attended the League of Minnesota Cities Annual Conference in Duluth last week and found it very informative; Planning and Development Services Director Dave Ramstad and himself recently took a trip to Washington, D.C., on behalf of the City, to lobby elected officials to support funding for Highway 23 expansion. He noted there was good interaction with the elected officials and positive results; thanked Police Chief Jim Felt for his efforts recently in assisting another local community with a hostile situation.

Council Member Schwantes offered the following comments: thanked the Willmar Fests Board for all their hard work and effort they put in for a successful and great celebration, fireworks were spectacular; wished everyone a safe 4th of July.

Council Member Davis offered the following comments: wished everyone a safe and happy 4th of July.

Council Member Alvarado offered the following comments: the Rockin Robbins events will begin on July 16th and urged everyone to attend these family events; be safe and smart while celebrating the 4th of July.

Council Member Asmus offered the following comments: thanked the City for the opportunity to attend the League of Minnesota Cities Annual Conference in Duluth. She was surprised the awards presented to cities were regarding water quality issues at their respective wastewater treatment plants; "Hats Off" to the employees for all their work and involvement in the Willmar Fests activities; have a happy and safe 4th of July;

Council Member Plowman offered the following comments: echoed fellow Council members' comments on wishing everyone a safe and happy 4th of July; echoed the Willmar Fests comments; and offered a fun fact regarding the VOR – many years ago we would see large C-130's making a turn around the City which was the national guard from Minnesota, North Dakota, and Wisconsin who would use our VOR as their turn-around point, which was antiquated when the VOR was shut down.

Council Member Nelsen offered the following comments: thanked the City for the opportunity to attend the League of Minnesota City Annual Conference in Duluth as there was great networking with people from our area as well as around the state. She had the opportunity to participate in a panel discussion on Women in Leadership, and encouraged others to watch their calendars for future meetings and try to attend; Coalition of Minnesota Cities meeting will be in Bemidji in late July; enjoy the 4th of July; Willmar participated in the Green Steps Program for many years and would encourage the City to get involved with this program again and feels it would be great for the community and the environment.

Council Member Fagerlie offered the following comments: have a safe 4th of July.

Council Member Nelsen offered a motion to adjourn the meeting with Council Member Fagerlie seconding the motion which carried. The meeting adjourned at 8:18 p.m.

s/s Marv Calvin
MAYOR

Attest:

s/s Judy Thompson
SECRETARY TO THE COUNCIL

RESOLUTION NO. 19-094

**RESOLUTION AUTHORIZING THE AGREEMENT WITH WILLMAR BASEBALL, LLC (STINGERS) FOR LEASE
OF CITY OF WILLMAR'S TAUNTON STADIUM AND BAKER BASEBALL FIELD**

Motion By: Nelsen Second By: Fagerlie

BE IT RESOLVED by the City Council of the City of Willmar to approve an agreement with Willmar Stingers to renew the lease for Taunton Stadium and Baker Field for a period of ten years, starting August 25, 2019 thru August 25, 2029.

Dated this 1st day of July, 2019.

s/s Marv Calvin
MAYOR

Attest:

s/s Judy Thompson
CITY CLERK

RESOLUTION NO. 19-095

**RESOLUTION CALLING FOR PUBLIC HEARING ON AN
ORDINANCE AUTHORIZING THE ISSUANCE
OF \$4,740,000 GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 2019A
AND LEVYING TAXES FOR THE PAYMENT THEREOF**

Motion By: Nelsen Second By: Fagerlie

WHEREAS:

A. The City of Willmar has heretofore undertaken to construct certain public improvements pursuant to Minnesota Statutes, Chapters 429, as more fully described in the proposed Ordinance set forth below.

B. Said improvements have heretofore been duly incorporated into the City's capital Program in accordance with the City Charter.

C. It is necessary and desirable that the City of Willmar issue its General Obligation Improvement Bonds, Series 2019A in the principal amount of \$4,740,000 to various improvement projects in the City.

D. Section 2.12 of the City Charter requires that acts of the City Council which authorize the borrowing of money and levying of taxes shall be by ordinance.

E. Councilmember Nelsen introduced an Ordinance entitled "An Ordinance Authorizing the Issuance of \$4,740,000 General Obligation Improvement Bonds, Series 2019A and the Levying of Taxes to Secure Payment Thereof".

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Willmar, Minnesota, as follows:

1. The City Clerk is authorized and directed to distribute a copy of said Ordinance to each Council Member, to the Mayor, and to the City Attorney, and to file a reasonable number of copies of the Ordinance in the office of the City Clerk and the following other public places:

- A. _____
- B. _____
- C. _____

2. This Council shall meet at the time and place specified in the form of notice hereinafter contained for the purpose of conducting a public hearing on the Ordinance and considering the Ordinance for adoption.

3. The City Clerk is hereby authorized and directed to cause notice of the time, place and purpose of said public hearing to be published in the local official newspaper of the City not less than seven days in advance of the date of hearing as required by the City Charter, which notice shall be substantially the following form:

(Remainder of this page intentionally left blank)

NOTICE OF PUBLIC HEARING
ON THE ADOPTION OF AN ORDINANCE

NOTICE IS HEREBY GIVEN by the City Council of the City of Willmar, Minnesota, that the City Council will conduct a public hearing on and consider adoption of the Ordinance described below at the Kandiyohi County Health and Human Services Building Board Room in the City of Willmar, Minnesota, at 7:01 o'clock p.m. on the 15th day of July, 2019 said proposed Ordinance is as follows:

AN ORDINANCE AUTHORIZING THE ISSUANCE OF \$4,740,000 GENERAL OBLIGATION
IMPROVEMENT BONDS, SERIES 2019A AND THE LEVYING OF TAXES TO SECURE
PAYMENT THEREFOR.

The City of Willmar hereby ordains:

1. In accordance with Minnesota Statutes, Chapter 429, the City of Willmar has heretofore determined to construct the following improvements:

<u>Project</u>	<u>Total Cost</u>	<u>Amount to be Financed</u>	<u>Amount to be Assessed</u>
2019 Improvements	\$6,252,865	\$4,740,000	\$1,718,990

2. In order to finance said improvements it is necessary to issue General Obligation Improvement Bonds of the City in the amount of \$4,740,000.

3. For the purposes of complying with Minnesota Statutes, Section 475.61, there will be levied a direct ad valorem tax upon all taxable property in the municipality in such amounts as are required by law to secure payment of said Bonds.

4. This Ordinance is adopted in order to authorize the borrowing of money and the issuance of General Obligation Improvement Bonds and the levying of taxes therefor as provided in Section 2.12 of the City Charter. Further details shall be set forth by resolution.

Such persons as desire to be heard with reference to the proposed Ordinance will be heard at this hearing.

By Order of the City Council

/s/ Judy Thompson
City Clerk

4. Upon sale of said bonds, the City Clerk shall compute the levy made by said Ordinance No. _____ commencing in or about the year 2020 and ending in or about the year 2030 upon all taxable property in the City, which tax shall be spread upon the tax rolls and collected with and as part of other general property taxes in said City in such an amount as is necessary to comply with Minnesota Statutes, Section 475.61, subd. 1. Said tax levy shall be irrepealable so long as any of said bonds are outstanding and unpaid, provided that the City reserves the right and power to reduce the levies in the manner and to the extent permitted by Minnesota Statutes, Section 475.61, subd. 3.

5. No bonds shall be issued and no tax levy shall be effective in accordance with this resolution until (a) after the Ordinance has been duly adopted and published in accordance with the City Charter, and (b) the applicable 15 day period has elapsed with respect to said Ordinance and all appropriate bond resolutions during which period no Certificate of Intent is filed in accordance with Section 7.04(j) of the City Charter.

The motion for the adoption of the foregoing resolution was duly seconded by member Fagerlie and upon a vote being taken thereon, the following voted in favor thereof: Council Members Rick Fagerlie, Shawn Mueske, Kathy Schwantes, Vicki Davis, Fernando Alvarado, Julie Asmus, Andrew Plowman, and Audrey Nelsen

and the following voted against the same: None

Whereupon said resolution was declared duly passed and adopted this 1st day of July, 2019.

s/s Marv Calvin
MAYOR

ATTEST:

s/s Judy Thompson
CITY CLERK

RESOLUTION NO. 19-096

**RESOLUTION DECLARING THE OFFICIAL INTENT OF THE CITY OF WILLMAR,
MINNESOTA, TO REIMBURSE CERTAIN CAPITAL EXPENDITURES FROM THE PROCEEDS
OF
TAX-EXEMPT BONDS**

Motion By: Nelsen

Second By: Fagerlie

WHEREAS, the Internal Revenue Service has issued Treasury Regulations, Section 1.150-2 (the "Reimbursement Regulations") under the Internal Revenue Code of 1986, as amended (the "Code"), providing that proceeds of tax-exempt bonds used to reimburse prior capital expenditures will not be deemed spent unless certain requirements are met; and

WHEREAS, the City of Willmar, Minnesota, municipal corporation and a political subdivision of the State of Minnesota (the "City"), expects to incur certain expenditures that may be financed temporarily from sources other than tax-exempt bonds, and later reimbursed from the proceeds of tax-exempt bonds; and

WHEREAS, the City has determined to make a declaration of its official intent (the "Declaration") to reimburse certain capital costs from the proceeds derived from the sale of tax-exempt bonds issued by the City

or another political subdivision in accordance with the Reimbursement Regulations.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WILLMAR, MINNESOTA AS FOLLOWS:

1. The City may incur certain capital expenditures in connection with the following projects in the approximate amounts set forth below (collectively, the "Projects"):

- (1) \$2,000,000 for a community center replacement;
- (2) \$6,000,000 for new athletic fields;
- (3) \$3,000,000 for infrastructure improvements at Robbins Island Regional Park;
- (4) \$2,000,000 for a new playground and spectator amenities at Swanson Field Regional Park;
- (5) \$7,000,000 for stormwater management infrastructure improvements, and
- (6) \$10,000,000 for a new recreation and event center.

2. The City reasonably expects to reimburse the expenditures made for certain costs of the Projects from the proceeds of tax-exempt bonds, in one or more series, in principal amounts currently estimated in the amounts set forth above or an aggregate principal amount not to exceed \$30,000,000 plus an amount sufficient to pay the costs related to the issuance of the bonds and paying debt service on the bonds. All reimbursed expenditures related to the Projects will be capital expenditures, costs of issuance of the tax-exempt bonds or other expenditures eligible for reimbursement under Section 1.150-2(d)(3) of the Reimbursement Regulations.

3. This Declaration has been made not later than 60 days after payment of any original expenditure to be subject to a reimbursement allocation with respect to the proceeds of tax-exempt bonds, except for the following expenditures: (a) costs of issuance of tax-exempt bonds; (b) costs in an amount not in excess of the lesser of \$100,000 or 5% of the proceeds of the tax-exempt bonds; or (c) "preliminary expenditures" up to an amount not in excess of 20% of the aggregate issue price of the tax-exempt bonds that are reasonably expected by the City to finance the Projects. The term "preliminary expenditures" includes architectural, engineering, surveying, soil testing, bond issuance and similar costs that are incurred prior to commencement of acquisition, construction, or rehabilitation of the Projects, excluding land acquisition, site preparation, and similar costs incident to commencement of construction.

4. A reimbursement allocation with respect to tax-exempt bonds will be made not later than 18 months after the later of: (i) the date the original expenditure is paid; or (ii) the date the Projects is placed in service or abandoned, but in no event more than 3 years after the original expenditure.

5. This Declaration is an expression of the reasonable expectations of the City based on the facts and circumstances known to the City as of the date hereof. The anticipated original expenditures for the Projects and the principal amount of the tax-exempt bonds described in paragraph 2 are consistent with the City's budgetary and financial circumstances. No sources other than proceeds of tax-exempt bonds are reasonably expected to be reserved, allocated on a long-term basis, or otherwise set aside pursuant to the City's budget or financial policies to pay such expenditures for which bonds are issued.

6. The action is intended to constitute a declaration of official intent for purposes of the Reimbursement Regulations.

The motion for the adoption of the foregoing resolution was duly seconded by member Fagerlie and, after a full discussion thereof and upon a vote being taken thereon, the following voted

in favor thereof: Council Members Rick Fagerlie, Shawn Mueske, Kathy Schwantes, Vicki Davis, Fernando Alvarado, Julie Asmus, Andrew Plowman, and Audrey Nelsen

and the following voted against the same: None

Whereupon the resolution was declared duly passed and adopted on this 1st day of July, 2019.

s/s Marv Calvin
MAYOR

ATTEST:

s/s Judy Thompson
CITY CLERK

RESOLUTION NO. 19-097

RESOLUTION AMENDING THE 2019 ASSESSMENT ROLL.

Motion By: Fagerlie Second By: Nelsen

WHEREAS, The City Council of the City of Willmar, Minnesota duly adopted the assessment roll for the 2019 Street Improvement Project No. 1901 on June 17, 2019, and

WHEREAS, certain adopted assessments have been amended due to additional information.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Willmar, Minnesota, as follows:

1. Special assessment amount against Parcel 95-912-0952 be amended from \$20,160.00 to \$8,000.00, and 95-914-2350 should be amended from \$28,285.45 to \$23,811.58.
2. Such assessment roll be amended to the sum of \$1,796,242.93, a copy of which is attached hereto and made a part hereof, is hereby accepted.
3. The City Clerk shall forthwith transmit a certified duplicate copy of this assessment to the County Auditor to be extended on the tax list of the County.

Dated this 1st day of July, 2019.

s/s Marv Calvin
MAYOR

ATTEST:

s/s Judy Thompson
CITY CLERK